

REMARKS/ARGUMENT

This paper is responsive to the final Office Action mailed May 6, 2005. Claims 1-64 are pending. Claims 4 and 10 have been amended to remove parenthetical indications that may relate to trademarks, without in any way narrowing the claims. Claims 1, 19, 27, 37, 48, 59 and 61-64 are independent claims. Formal drawings are submitted herewith to replace the informal drawing sheets currently on file. No new matter has been added.

At item 2 of the Office Action the Examiner mentions that WO/93/15467 was missing from the file and could not be considered. However, a duplicate copy of this reference was filed with the Amendment dated January 14, 2005, as is evidenced by the copy of the return postcard for that filing. Moreover, the Examiner *did* initial this reference, which indicates it was considered, and returned the initialed form 1449 with the Office Action.

Moreover, WO/93/15467 is simply a published equivalent of the Togher et al., U.S. Patent No. 5,375,055, discussed below, and which is of record in this application. In view of the above, the Examiner is requested to include a specific mention that WO/93/15467 was in fact considered in the next Office Action.

Applicants thank Examiner Colbert and SPE Millin for the cordial and productive personal interview with the undersigned representative on July 20, 2005. At that interview it was agreed that the arguments presented by Applicants' representative with regard to the prior art, and with regard to the more formal rejections, were persuasive. SPE Millin requested that those arguments be summarized in this response to the final Office Action and in response, the case would be allowed. The agreements reached and the arguments presented will be discussed below in connection to each rejection.

Initially, SPE Millin requested at the interview that trademark terms be eliminated

from the claims. This has been done in the amendments to claims 4 and 10. These amendments do not narrow the claims in any way.

Claims 1 and 49 were rejected under 35 U.S.C. § 112, second paragraph, as indefinite. As was pointed out in the interview, in claim 1, it is believed clear that the body of the claim relates to elements of an anonymous trading system and that this claim clearly meets the requirements of Section 112. SPE Millin indicated at the interview that he had no problem with the current status of claim 1 and that it need not be amended. As to claim 49, SPE Millin agreed that terminology used in this claim is sufficiently clear and stated that there was no need to amend the claim. In view of the above, withdrawal of the rejection under Section 112 is respectfully requested.

Claims 37 to 47 were rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter. At the interview, SPE Millin agreed that the current terminology of claim 37, without further amendment, meets the requirements of Section 101. Withdrawal of the rejection is therefore requested.

Claims 1-7, 19, 27, 48, 59, 61 and 62 were rejected under 35 U.S.C. § 102(b) U.S. Patent 5,375,055 (Togher). Claims 8-26, 30-36, 49-58, 60, 63 and 64 were rejected under 35 U.S.C. § 103 over Togher in view of U.S. Patent 5,802,499 (Sampson et al.). Applicants traverse and submit that the independent claims are patentable for at least the following reasons.

As was demonstrated during the interview, in a conventional anonymous trading system, such as the one taught by the Silverman references discussed in the background section of Togher, at the completion of each deal, the amount of the deal is subtracted from the credit limit for further deals with the same counterparty. However, in the conventional system, the sense of the deal, that is whether it is a buy or sell, is *not* taken into account. Thus, in effect, the *absolute value of the transaction* is subtracted from the overall credit limit,

without taking into account the sense of the sense of the deal, that is, whether it is a buy or sell with that counterparty.

Thus, in Silverman, if a bank has credit of \$100M with another bank, sells \$50M to that other bank and then buys back \$50M, the credit limit is adjusted by \$50M each time so that the total credit usage is \$100M, which would leave \$0 credit remaining. In other words, there is no credit left and no further deals can be done with that party until the credit limit is adjusted.

The present invention, as defined by the independent claims, on the other hand, takes into account the sense of a trade so that *a buy trade has the opposite effect on the credit limit to a sell trade*. As a result, the total exposure with regard to credit is based on a netting of trades between the traders.

In the Office Action, the position was taken that Togher teaches that the sense of the deal is taken into account after each trade. In particular, the Examiner pointed out certain portions of Togher that were alleged to meet this noteworthy feature of the independent claims.

The first portion cited from Togher was actually a description of the Reuters system, based on the Silverman patents. As has been discussed above, this system subtracts the *absolute value* of any trade from the credit limit, without taking into account the sense of the deal.

The other sections of Togher that were cited do not relate to how the credit limits are adjusted for a particular transaction and thus contain no teaching or suggestion that the Togher system takes into account the sense of a trade so that a buy trade has the opposite effect on the credit limit to a sell trade. Thus, the remaining portions of Togher do not remedy the above-noted deficiencies of the Reuters system.

Independent claim 63 recites, inter alia, a credit engine that comprises a credit adjuster for varying the credit available to a party for further trades by the amount of an executed deal, the amount of available credit *being varied in an opposite direction for a buy deal to a sell deal*. This adjustment has similar advantages to the credit netting feature recited in the other independent claims and is neither taught nor suggested in Togher, as is alleged in the Office Action. Claim 64 recites a similar feature and is believed patentable for similar reasons.

In the interview, it was agreed that if the above arguments, presented at the interview, were presented in the response to the Office Action, the application would be allowed. In view of the above, it is believed clear that all of the independent claims are patentable over the prior art, including Togher. The other cited reference was not believed to remedy the above-noted deficiencies of the prior art as against the independent claims.

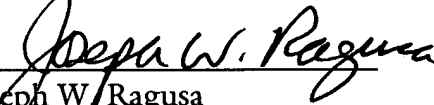
The other claims in this application are each dependent from one or another of the independent claims discussed above and are therefore believed patentable for the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

Since the above amendments to claims 4 and 10 simply follow the suggestions of Examiner Millin, their entry is believed proper under 37 C.F.R. 1.116. It is believed clear from the above, and the agreements reached at the interview, that this case is not in condition for allowance. If any issues are believed to remain outstanding, the Examiner is requested to contact the undersigned.

In view of the foregoing amendments and remarks, Applicants respectfully request favorable reconsideration and early passage to issue of the present application.

Dated: July 22, 2005

Respectfully submitted,

By 

Joseph W. Ragusa

Registration No.: 38,586

DICKSTEIN SHAPIRO MORIN &
OSHINSKY LLP

1177 Avenue of the Americas

41st Floor

New York, New York 10036-2714

(212) 835-1400

Attorney for Applicant